

**CLERK'S SUMMARY AND OFFICIAL MINUTES
NARANJA LAKES
COMMUNITY REDEVELOPMENT AGENCY (CRA)
APRIL 17, 2006**

The Naranja Lakes Community Redevelopment Agency (CRA) Board met in the South Dade Government Center, Room 203, 10710 S.W. 211 Street, Miami, Florida at 7:00 p.m., April 17, 2006, there being present upon roll call Chairperson Nina Betancourt, Mr. Rene Infante, Mr. Daniel Lipe, and Mr. Kenneth Forbes (Mr. Parsuram Ramkissoo was late), (Mr. Stuart Archer was absent); Community Redevelopment Office (CRO) Executive Director Tony Crapp, Mr. Jurgen Teintze, CRO Coordinator; Mr. Alberto Gonzalez, CRO Analyst; and Deputy Clerk Jill Thornton.

I. Call to Order

Chairperson Betancourt called the CRA Board meeting to order at 7:16 p.m.

II. Roll Call

Upon roll call and a quorum being present, the Board proceeded to consider tonight's agenda.

III. Approval of the Minutes

Mr. Forbes noted a scrivener error existing on page 2, paragraph 2 of the March 20th Meeting minutes that should be corrected to reflect that Mr. Johnson was not the President of the Sea Pines Homeowners Association.

Following clarification regarding Mr. Johnson's affiliation with the Sea Pines Homeowners Association, it was moved by Mr. Forbes that the March 20, 2006 NRCA Meeting minutes be approved, as corrected to delete the word "President" on page 2, paragraph 2. This motion was seconded by Mr. Lipe and upon being put to a vote, passed unanimously by those members present.

IV. Approval of Agenda

It was moved by Mr. Lipe that the agenda for tonight's meeting (4/17) be approved with amendment to change the order of Agenda Items listed under "New Business," as recommended by Mr. Crapp. This motion was seconded by Mr. Infante, and upon being put to a vote, passed unanimously by those members present.

Open Forum for Public Comments

Chairperson Betancourt opened the floor for public comments.

Mr. Eves Justinvil, owner of Denny's Restaurant, 27667 S. Federal Highway, Naranja Lakes, appeared before the CRA and presented a proposal to remodel the subject restaurant.

Chairperson Betancourt expressed appreciation to Mr. Justinvil for bringing the proposal to the CRA's attention and noted the CRA Board and staff would review it.

Mr. Randy Pearson, President, SOLO Construction Corporation, appeared before the CRA and advised of an issue regarding non-payment by Naranja Lakes, LLC for work performed by SOLO Construction. He noted SOLO was prevented from proceeding with work because of outstanding issues between the developer and the County which had delayed the project's completion and noted an outstanding balance owed.

Responding to questions from Mr. Crapp and Chairperson Betancourt regarding the balance owed and the amount paid in March, Mr. Pearson noted the amount owed was approximately \$400,000 and the payment received in March was approximately \$1 million for past due invoices. He stated SOLO was given a directive to continue work, but would like this matter resolved first.

Responding to Mr. Crapp's inquiry of who owed this money, Mr. Pearson noted Naranja Lakes, LLC owed the money pursuant to the contract, however, SOLO had privy with the CRA and the County, who pays the developer with a joint party check.

Mr. Forbes noted that according to the Capital Expenditures Statement submitted to the CRA by staff, the expenditures listed included the monthly cumulative totals which included any disbursement to SOLO. He questioned the amount disbursed to SOLO during the month of February.

Mr. Pearson gave an approximate breakdown by month of monies paid to SOLO since June 2005. He noted SOLO continued working until November 2005, but had not received any monies for work performed since September 2005.

Mr. Crapp noted staff could present all billing information pertaining to reimbursements or payments made to the developer and SOLO for the Agency's review at the next CRA meeting.

In response to Mr. Infante's request for copies of SOLO Construction's requests submitted to the developer, Mr. Pearson stated he would provide copies of several letters submitted to the developer.

V. New Business

Security Updates

Major Ramirez, Miami Dade Police Department, Cutler Ridge District, provided an update on Security in the Naranja area surrounding the Mandarin Lakes Development Project. He noted a Community Response Team was created that comprised of a group of officers working directly with community leaders to reduce crime and improve the residents' quality of life and the team had proven successful. Mr. Ramirez also noted the Neighborhood Policing Unit was divided into four specific patrol areas -West Perrine, Goulds, Naranja and Modello, and consisted of officers working with officers assigned to those communities to provide more direct community policing.

Major Ramirez provided crime statistics for the Cutler Ridge District. He noted a 30% reduction in robberies had occurred in the District since partnering with the RID Team and the Narcotics Bureau and now the focus was on reducing the number of residential burglaries. He also noted residential burglaries committed in the area peaked a few months ago, but declined significantly in the last 30 days after the General Investigations Unit was revamped. He further noted a Traffic Team comprised of two officers was created to provide traffic enforcement on a full time basis.

Regarding Mr. Lipe's question concerning crime statistics for the Mandarin Lakes area, Major Ramirez noted the package provided to staff tonight contained a synopsis report reflecting crimes committed by trend and area. He noted residential burglaries and robberies were more prevalent in the Mandarin Lakes area but auto theft and narcotics were also a problem.

Mr. Teintze pointed out that the Naranja Village Shopping Center was included in the synopsis report mentioned by Major Ramirez.

Mr. Ramkissoon expressed concern that prostitution was a problem in the Naranja Lakes area, particularly in the area surrounding his business, but was not included as part of the crime statistics in the report.

Major Ramirez noted the Narcotics Bureau conducted a number of stings in the area resulting in a number of arrests that addressed prostitution. He also noted sting operations were planned for the near future.

Mr. Infante noted the developers of the Naranja Lakes project approached Major O'Donnell about employing off-duty police officers to enhance security in the area and questioned the status of that request.

Major Ramirez stated he was unaware of that request, but he would contact Major O'Donnell and initiate efforts to employ off-duty officers as proposed, if the developer was willing to pay for it.

Mr. Crapp expressed appreciation for the opportunity to meet with Major Ramirez and Sergeant Ozzie Hernandez before tonight's meeting to discuss the level of security for the Mandarin Lakes project. He suggested the CRA designate a Board member to work with staff to formulate recommendations on safety.

Hearing no objection, the CRA agreed unanimously to designate Mr. Parsuram Ramkissoon as liaison to work with staff in formulating recommendations on safety of the Mandarin Lakes area, for submittal to the CRA.

Update on Mandarin Lakes

Mr. Paul Herman, Development Project Manager, D.R. Horton Builders, provided an update on the sales of Mandarin Lakes Homes. He noted that as of today (4/17), 166 town homes, 111 forty-foot single family homes and 78 fifty-foot single family homes were sold. Of those sold, he noted 47 town homes, 29 forty-foot single family homes and 11 fifty-foot single family homes had closed. He further noted 658 permits had been approved, which was approximately three-quarters of the eastern portion of the project.

Mr. Lipe questioned if these numbers were in line with sales projections. He also questioned the crime status within the development area.

Mr. Herman noted sales were projected at a rate of 25 to 30 sales per month, but had fallen short of the goal. He stated he was unaware of residential burglaries in the development area but noted the construction trailers for both Naranja Lakes LLC and DR Horton had been burglarized several times. He also noted a few burglaries had occurred to unoccupied homes while under construction.

Responding to Mr. Ramkissoon's inquiry whether these burglaries were reported to the police, Mr. Herman noted the Police Department kept a log of all the burglaries reported.

Chairperson Betancourt suggested the areas where those burglaries were committed be identified on a map and pointed out to the Police Department as potential problems within the CRA district, rather than as isolated burglaries of construction sites.

Mr. Crapp noted the burglary incidents reflected in the provided report could be plotted on a map for a better picture. He stated staff would work with the Police Department to address this issue.

Following further discussion, Mr. Herman noted a meeting was scheduled on May 6, 2006 with the homeowners in Phase I of the project to discuss the status of the efforts to complete the 140th Avenue roadway project.

Update on Infrastructure Project / Legal Issues

Mr. John Ritsema, Project Coordinator, stated that no additional information could be provided at this time on the update of the infrastructure project since the contractors were not currently working.

Legal Report

Mr. Crapp noted that according to correspondence generated by the County and Legal Counsel for the CRA, no legal impediment existed to prevent work from proceeding on this project but rather, the issue appeared to be between the developer and SOLO construction.

Mr. Pearson, SOLO Construction, noted more legal issues and increased costs could arise due to delays in completing the project.

Mr. Forbes expressed concern for a need to establish interdependency with each partner and to establish a time frame that would allow the CRA to intervene with problems or delays that caused additional costs. He pointed out that the developer was allowed to begin work without the performance bond in place, but the County exercised its right to have it in place and the CRA was not notified of a problem until 60 days after the fact.

Chairperson Betancourt clarified that the CRA took the position to work in tandem with the County and though there were repeated requests for the CRA to be notified immediately when issues of this magnitude arise, that in this instance, she felt it was incumbent upon Naranja Lakes, LLC not to delay the project.

Mr. Crapp concurred that the County and CRA worked in tandem and that staff represented the CRA. He noted a lot of dependency and interdependency existed between partners but the County was surprised to find out that the proper bond was not provided and though the County did not create the problem, it was trying to resolve it in a cooperative manner while keeping the project moving forward. Mr. Crapp further noted SOLO was paid as a result of the County and the CRA's efforts to be flexible, even though the contract called for the developer to pay SOLO first and then request reimbursement from the County. He noted the developer needed to understand the County would ensure compliance of the terms set forth with May 15th as the date set for the developer to comply with the proper bond.

Mr. Pearson stated the public funds were never at risk and the issue was not that the bond wasn't placed prior to proceeding with work but that the form of the original bond posted was not in the form the County desired, which was decided after work began. He noted the County's best decision should have been to allow the work to continue.

Mr. Luis Carbonelle, Naranja Lakes, LLC, stated he disagreed with Mr. Crapp's statements that the County and CRA were unaware of the proper bond not being placed. He noted staff reviewed and approved the bond at the time it was provided, but in midstream of the project, the County indicated changes were needed and a direction was made not to proceed with work until the requirements were met. He stated he agreed to meet the requirements but asked that work continue while these changes were made in order to meet the deadlines. He further noted the County requested additional requirements of the developer to provide revised Release of Liens for payments already provided. He indicated he would have a difficult time in getting subcontractors to revise Release of Liens retroactively.

Mr. Teintze stated the delay seemed to be over a relatively small invoice for work almost completed and asked what was required to move the project forward. He noted Mr. Ritsema was justified in asking for the signed Release of Liens that properly described the property site of work performed.

Chairperson Betancourt noted the request for a corrective instrument was a technical issue and that staff and Legal Counsel had made much progress to work out the issues with much accommodation. She reiterated the CRA needed to be informed promptly when issues of this magnitude arise so the problem could be dealt with quickly, without delaying the process.

Mr. Zelkowitz, Legal Counsel for the CRA, reiterated the previous comments of Mr. Crapp that no legal impediment existed to prevent the work from going forward except the issue between the developer and SOLO Construction, which was not a part of the CRA's contract with the developer. He noted the CRA and developer entered into an agreement that specified the requirements and a letter of credit and contract amendments had been provided, therefore the developer needed to move forward.

In response to Mr. Infante's comments concerning costs of additional requirement for revised Release of Liens, Mr. Ritsema noted the Release of Liens should properly identified the subcontractor and the land/streets where work was performed. He further noted it would be prudent of the CRA to obtain partial Release of Retainage from the Water and Sewer Department for work performed at SW 140 Avenue and 272 Street.

Discussion ensued between the CRA members, staff and contractors regarding the requirements for revised Release of Liens and Retainage.

Mr. Zelkowitz noted all partial Release of Liens provided for progress payments should be corrected by the submittal of the next Release of Lien, as long as it was in proper form.

Mr. Ritsema noted a contractor's usual practice was to continue work and mitigate any damage for delay in payment through a claim, so that if work was completed, he would be in the best position before the Court. Mr. Ritsema stated he disagreed with SOLO's claim that they were directed to stop work but rather the work stopped as a result of delay in payment, which should really be a reimbursement.

Following discussion, it was moved by Mr. Forbes that all concerned parties negotiate a resolution within the next two weeks and if no agreement was reached, the CRA would proceed with a default.

Mr. Lipe noted the developer needed to honor the terms of the contract that states he pay SOLO first and then request reimbursement from the County. He noted everybody needed to work together to be fair without making concessions outside this agreement.

Mr. Crapp emphasized that the County was very serious about the May 15th 2006 deadline date set for the developer to comply.

Chairperson Betancourt stated the April 11, 2006 default letter drafted by the CRA's Legal Counsel and accepted by Naranja Lakes, LLC, expressed the intention of the foregoing motion and should suffice. She requested that should anything change, the CRA Board be notified immediately.

The foregoing motion made by Mr. Forbes therefore died due to a lack of a second.

CRA Grants Program

Mr. Forbes noted that after conducting a research of information on OCED funding for the Sea Pines Community, he found the percentage of investor-owned units within the Sea Pines development to be 95%, which differed from the percentage reported at the March 20, 2006 CRA meeting. He also noted other misrepresentations may have occurred at the March and February NLCRA meetings and that his findings revealed members of the Sea Pines Homeowners Association and one member of the CRA Board owned units in the Sea Pines Community development.

Chairperson Betancourt noted that after reviewing the tax records of the 273 units in Sea Pines Community, she found only 31 units had current homestead exemption; 72 units had transferred titles in 2005 and that investors owned multiple units. She further noted that as far back as 2001, she found only one address that listed a board member of Sea Pines Homeowners Association as the actual resident.

It was moved by Mr. Forbes that further discussions be deferred on the Sea Pines Community issue until an official opinion was obtained by the Ethics Commission concerning this matter to ensure the CRA was dealing with homeowners in need of assistance. He stated the CRA needed the records of the Sea Pines Homeowner Association Board Meetings that authorized those individuals to come before the CRA with their request.

Mr. Darryl Christians, President, Sea Pines Home Owners Association, appeared and noted reasons for the Board change and for Mr. Whitaker's election not being filed with the Secretary of State until March 2006, though he was elected to the Association's Board in November 2005.

Mr. Dennis Whitaker, Secretary, Sea Pines Homeowners Association, noted the prior Management Company hired by the Association did not follow through with paper work and had since been replaced by another company.

In response to Mr. Infante's concern regarding the percentage numbers represented at the March 20, 2006 CRA meeting concerning owner occupied units in the Sea Pines development, Mr. Christians explained that approximately 40% of homeowners physically lived in the Sea Pines Community.

Mr. Infante noted it appeared the definition given for homeowner was not one unit per homeowner but rather a homeowner owning several units and that he understood the ratio to be one to one.

Chairperson Betancourt noted an issue with homeowners residing in one unit in the Sea Pines Community but owning multiple units as an investment. She pointed out that only 31 owners reported homestead exemption on their property.

Mr. Forbes noted Mr. Johnson appeared before the CRA on January 23rd, 2006 representing himself as Treasurer of the Sea Pines Homeowners Association and Mr. Archer participated in those conversations. He noted both owned units in the Sea Pines Development, but this information was never disclosed to his knowledge, nor did Mr. Archer recuse himself. Mr. Forbes inquired of the date and attendance of the meeting that authorized individuals to come before the CRA to request assistance and noted an official opinion was needed from the Ethics Commission as to the appropriateness of the CRA's actions so far before proceeding with further discussions.

Chairperson Betancourt noted for the record that the CRA understood the critical need to improve the condition of the Sea Pines Community based on its proximity to the primary redevelopment project but noted an investor of real property has an obligation to improve and maintain the property's value and should not defer maintenance for someone else to improve it.

Mr. Forbes pointed out that a maintenance agreement was filed with the County for maintaining those properties, which runs with the land.

Mr. Christians noted the numbers were inaccurate because they reflected investors in the past that bought properties in the Sea Pines Community at a low cost and flipped them, but the current buyers were buying to own and occupy the homes.

Mr. Lipe noted many of the homes in need of repair would require fixing in order for a homeowner to obtain a mortgage but most of those homes in disrepair were investor owned.

Mr. Christians stated the Association was not seeking funds to improve the homes but to improve the common grounds and infrastructure.

Mr. Lipe pointed out that improving common grounds and infrastructure with public funds would improve the value of the property and would unjustly enrich an investor.

Chairperson Betancourt emphasized the CRA's understanding of the critical needs of this community but noted a maintenance agreement had been filed with the County since 1983 for maintaining the private roads that runs in perpetuity with each new homeowner.

Discussion ensued as to why delinquent fees were not collected by the Homeowners Association at time of sale or transfer of title.

Mr. Zelkowitz noted as a legal requirement, a Bank issuing a mortgage will require a Homeowner Associations to issue an estoppels letter ensuring all fees are current on that property, unless the property was purchased without a loan.

Mr. Ramkissoo suggested that further discussions be deferred until the CRA received a reply from the Ethics Committee concerning the issues previously stated of misrepresentations made at the January and February CRA meetings and Mr. Archer owning property in the Sea Pines Community.

In response to Chairperson Betancourt's comments that no vote had been taken on actions for the Sea Pines Community, Mr. Forbes pointed out that the CRA Board authorized staff to proceed with research and development of a grants program that included the Sea Pines Community. He noted the concern dealt with the discussions held regarding the Sea Pines Community and an official opinion needed regarding the appropriateness of those discussions.

Mr. Ramkissoo also pointed out that the CRA asked Mr. Ritsema to do a feasibility study of the area.

Mr. Crapp clarified that the CRA's request was for staff to seek an opinion from the Ethics Commission regarding Mr. Archer's participation in prior discussions on the Sea Pines issue and for clarity on the January and February CRA meetings as to whether there were discrepancies or misrepresentations stated concerning the Sea Pines Homeowners Officials.

Mr. Zelkowitz advised that if the CRA Board desired to seek an opinion from the Ethics Commission of a potential conflict or issue, the Board must pass a motion directing staff and attorney to seek that opinion. He noted requested opinions are binding on the individual and can be challenged in Court.

It was moved by Mr. Forbes that the CRA direct staff and its Legal Counsel to seek an opinion from the Florida Commission on Ethics as to whether Mr. Archer needed to make a disclosure regarding his ownership of property in Sea Pines Community, prior to participating in discussions on the Sea Pines Community. This motion was seconded by Mr. Ramkissoo, and upon being put to a vote, passed unanimously by those members present.

Mr. Crapp provided a brief oral report on the history of OCED funding for the Sea Pines Community. He noted \$263,000 was allocated in April 2001 for improvements of some condemned homes and a contract was developed and executed for those funds but the project was never brought to fruition and most of the funds were recaptured. Mr. Crapp noted as a normal procedure, CDBG funds were not advanced so the Department may have incurred some expenses in the process and he would endeavor to get clarification on this issue.

Regarding CRA Grants Program, Mr. Crapp noted the residential and commercial improvement programs submitted in a memo at the March 20th, 2006 CRA meeting could be implemented. He further noted this research was taken a step further to craft a program that would target multi-family residential improvements limited to health and safety and could be made available to Homeowner Associations and Multi-Family Residential developments located throughout the CRA district. He noted if this program were adopted, it could be used as a model for developing a commercial improvement program. Mr. Crapp recommended the CRA consider this program and if approved, recommend a time table to allow awarding grants in the fall following the hurricane season. He noted County Attorney Glenn Saks assisted in drafting a resolution applicable to the emergency appropriations.

Discussion ensued among CRA members regarding preferences for an inclusive program that included single-family homeowners.

Chairperson Betancourt reminded the Board of prior discussions to enter into an agreement with one entity that was identifiable. She stated she preferred the program be structured initially to benefit a group as a whole rather than open it up to a lot of individual applications.

Mr. Forbes noted the CRA's of Cities of St. Petersburg, Kissimmee and Port Charlotte had good programs targeting single-family homes and included packaging with OCED or HOME dollars.

Mr. Crapp stated the intent of the proposed program, as recommended, was to target Homeowner Associations and Multi-Family Development and to make health and safety improvements for the premises. He noted the proposed program could be adjusted for a more inclusive residential program if the CRA Board desired.

Chairperson Betancourt noted she liked the idea of a matching grants or incentive program for leverage such as subsidizing a contractor or vendor used by the CRA that lived within the CRA district.

Mr. Infante stated he would prefer a clean, non-intrusive program in order to avoid legal issues.

VI. Old Business

Mr. Crapp recommended the CRA Board appoint one or two members to serve on a Task Force for discussing recommendations on next year's budget.

Hearing no objection, the CRA Board agreed unanimously to re-appoint Mr. Lipe and Mr. Forbes as members of its budget Task Force.

VII. Setting of next Meeting Date

Chairperson Betancourt announced that the next NLCRA meeting would be held on May 15, 2006.

VIII. Adjournment

There being no further business to come before this Board, the Naranja Lakes Community Redevelopment Agency meeting was adjourned at 9:47 p.m.

Chairperson Nina Betancourt
Naranja Lakes Community Redevelopment Agency